

ASSEMBLY BILL

No. 3071

Introduced by Committee on Health (Chan (Chair), Aghazarian (Vice Chair), Berg, Cohn, Dymally, Frommer, Jones, Lieu, Montanez, Nakanishi, Negrete McLeod, Richman, Ridley-Thomas, and Strickland)

March 15, 2006

An act to add Section 1346.2 to the Health and Safety Code, relating to health care service plans.

LEGISLATIVE COUNSEL'S DIGEST

AB 3071, as introduced, Committee on Health. Department of Managed Health Care: disclosure statements.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975 (the Knox-Keene Act), provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Under existing law, a health care service plan is required to inform its enrollees of certain rights and protections afforded to them by the Knox-Keene Act.

This bill would require the department to provide a proposal to the Legislature on or before July 1, 2007, to replace specified statements in the Knox-Keene Act that inform enrollees of various rights and protections, to make them readily understood by enrollees.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) The Legislature finds and declares that
- 2 provisions of the Knox-Keene Health Care Service Plan Act of

1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code (the Knox-Keene Act)) that require health care service plans to inform enrollees of their rights under the Knox-Keene Act and of the protections available to them should be readily understandable. Enrollees should not be precluded from accessing a remedy for the denial of necessary health care services, which may have a deleterious effect on their health and welfare, because they did not understand these provisions of the Knox-Keene Act.

(b) It is the intent of the Legislature to ensure that notices provided by a health care service plan informing enrollees and prospective enrollees of their rights and protections under the Knox-Keene Act are readily understandable.

(c) It is the further intent of the Legislature that any changes made to existing law by this act shall not reduce the rights and protections provided by the Knox-Keene Act.

SEC. 2. Section 1346.2 is added to the Health and Safety Code, to read:

1346.2. (a) On or before July 1, 2007, the department shall provide to the Legislature a proposal to replace the statements set forth in the following sections, informing enrollees of certain rights and protections under this chapter, with statements that are readily understood by enrollees of health care service plans:

(1) Paragraph (1) of subdivision (b) of Section 1363.02.

(2) Paragraph (2) of subdivision (b) of Section 1363.06.

(3) Subdivision (c) of Section 1363.5.

(4) Subdivision (d) of Section 1364.5.

(5) Subdivision (d) of Section 1367.10.

(6) Subdivision (c) of Section 1368.

(7) Subdivision (b) of Section 1368.02.

(8) Paragraph (3) of subdivision (c) of Section 1368.015.

(9) Subdivision (f) of Section 1373.65.

(10) Section 1373.19.

(11) Paragraph (2) of subdivision (a) of Section 1389.1.

(b) The department shall consult with the Center for Community Wellness at the University of California at Berkeley in developing the statements required by subdivision (a) to ensure they are clear and easily understood and shall also consult with other interested parties, including consumer groups,

- 1 provider organizations, and health care service plans as part of
- 2 this process.
- 3 (c) The department shall ensure that the statements it develops
- 4 pursuant to this section do not reduce the rights and protections
- 5 provided by this chapter.